



# Be an informed consumer...

**...when it comes to federal student financial aid**

## Enrollment contracts

Read any school enrollment contract carefully before you sign it. The contract explains what the school will give you for your money.

If a representative of the school promises you things that are not in the contract, such as help finding a job, ask that the promise be written into the contract and that it be signed and dated. A promise usually is not enforceable in court unless it is in writing.

## Tuition and fees

If you're enrolling in a **community college** or **four-year college**, you will probably get a tuition and fee bill before each term (semester or quarter) begins; a portion of your federal financial aid will be paid each term.

If you're enrolling at a **vocational school**, you usually will be charged tuition and fees for the entire educational program at the beginning. However, your federal financial aid will usually be divided into at least two payments. The first payment is made at the beginning of the program, and the second payment is made after you've finished half of the program.

Most schools use your financial aid to pay your tuition and fees. If there's any left over, the school must give it to you to help pay your living expenses.

## Loans

Even if you qualify for a full Federal Pell Grant (gift aid), your cost of attendance might not be covered.

If other gift aid and work-study aren't available, check with your school about the types of loans you can get. Before you borrow, think about how you will afford to pay the money back. Either the school or the lender must give you a repayment schedule that explains how much your loan payments will be and when you have to start making the payments.

*Remember that you must pay back a loan, even if you drop out of school or don't find a job after you graduate.*

## Refund policy

It's important to find out whether you can get a refund from the school if you drop out before you get your degree or certificate. Every school that uses federal financial aid must give you a copy of any refund policy if you request it.

If you received financial aid and you withdraw, some or all of the money might have to be returned (by you or the school) to the source of the aid.

Be sure to let the school know exactly when you plan to withdraw—it may reduce your debt.

